

18 May 2011

Herencia Resources plc

("Herencia" or the "Company")

Project Update

Herencia is pleased to provide a further update on our work program and status in Chile:

- Over 4,000 metres of diamond drilling successfully completed at Paguanta, with drill progress tracking on budget.
- Core samples (from Doris, La Rosa and Bill's vein) and surface grab samples (from south-west of La Rosa) are either in, or en-route to, the assay laboratory. Regular assay results are anticipated every 4-6 weeks, commencing last week as announced to the market on 9 May 2011.
- The first Metallurgical hole, being drilled at the large PQ core diameter, is progressing well and is planned to be completed tomorrow (to 375 metre down hole depth). Our Geologists have confirmed that this hole, drilled between PTDD048 and PTDD058 (both drilled in 2010 and announced to the market on 2 August 2010), has successfully intersected base metals sulphides. The core will now be cut and the sample air-freighted to Canada for ongoing metallurgical test work.
- Geotechnical drilling will commence in two weeks. Six diamond core holes will be drilled to obtain core which will be tested to provide information for use in detailed underground mine planning work in the third quarter of 2011.
- Metallurgical test work is ongoing in Canada. An initial series of five flotation tests have been completed successfully.
- Preliminary general arrangement planning for the processing plant and site infrastructure locations has commenced.
- Two submissions for the detailed design of the Access Road are being evaluated.
- Baseline environmental work (for the eventual mine operating permits) is underway.
- Community consultation with three regional communities has commenced.
- An experienced Mining Engineer has accepted a position and will commence duties in our Santiago office on 1 June 2011, further enhancing our growing Project development team.
- The Paguanta camp is to be further expanded to cater for the growing project team on site. This work is scheduled for completion by end-June 2011.
- £4.2 million funds available in the bank as at 30 April 2011.

Managing Director Michael Bohm commented "It is full steam ahead for our team in Chile. While the current volatility in the commodity and equity markets is noted, our work continues unabated as we progress with our project development plans".

For further information please contact:

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Further background details on the Company can be found at www.herenciaresources.com

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